

HOUSE BILL 2248

By Turner M

AN ACT to amend Tennessee Code Annotated, Title 59,
Chapter 8, Part 2, relative to mining of minerals.

WHEREAS, the extraction of minerals from land by certain methods can permanently alter the surface of the land; and

WHEREAS, when the state owns land it is almost always for public purposes, such as for erection of government buildings, recreation, hunting, or transportation and such purposes usually involve access to the land by the public, in accordance with appropriate conditions, and

WHEREAS, this element of access to state-owned land distinguishes it from most land in private ownership; and

WHEREAS, the alteration or disturbance of the surface can prevent the accomplishment of those purposes by the public; and

WHEREAS, the General Assembly finds that it is appropriate to require that reclamation be done after such extraction occurs on state-owned land. Now therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 59-8-202(7), is amended by adding the following language as a new subdivision (C):

(C) "Mineral" means, on any land on which the state, or any department, agency, or other unit of state government, owns the surface interest, clay, stone, gravel, sand, phosphate rock, metallic ore, and any other solid material or substance of commercial value found in natural deposits on or in the earth, but does not include coal.

SECTION 2. Tennessee Code Annotated, Section 59-8-207(a), is amended by deleting the entire subsection and substituting instead the following language:

(a) The bond filed with the commissioner shall be payable to the state of Tennessee and shall be executed by the operator and a corporate surety who is approved by the commissioner and properly authorized to act as such surety and licensed to do business in the state; provided, however, that the operator may elect to deposit cash, irrevocable letters of credit, or certificates of deposit with the state treasurer in lieu of a corporate surety if such instruments are executed in accordance with guidelines set forth by the commissioner. The state treasurer shall receive and hold such deposits in the name of the state of Tennessee, in trust, for the purposes for which such deposit is made, and shall at all times be responsible for the custody and safekeeping of such deposits. The operator making the deposit shall be entitled from time to time to demand and receive from the treasurer, on the written order of the commissioner, the whole or any portion of any instruments so deposited upon depositing with the treasurer, in lieu thereof, other instruments of the classes herein specified having a value at least equal to the sum of the bond or instrument, and also to demand and recover any interest income from instruments as the same becomes due and payable.

SECTION 3. This Act shall take effect upon becoming a law, the public welfare requiring it.